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WHY ILLINOIS...

because it makes dollars and sense

George H. Ryan
Secretary of State

A message from the Secretary

As Secretary of State, I have had the opportunity to assist in creating a body of legislation that makes it more appealing than ever for Illinois-based businesses to incorporate in their home state. Your company can take advantage of this opportunity — incorporate closer to employees, shareholders and the leaders of Illinois government — by considering a new initiative we're calling **"Why Illinois"**.

Enabling Illinois businesses to be successful is a high priority of mine, and communicating the pluses of incorporating in Illinois rather than elsewhere in the United States is the goal of "Why Illinois".

The Secretary of State Department of Business Services is ready and willing to help business owners learn more about incorporating in Illinois. This partnership between state government and business can benefit your shareholders and employees and save you thousands of dollars.

Why Illinois? It makes good business sense now and in years to come.

George H. Ryan
Secretary of State

WHY ILLINOIS...

New laws make Illinois a winner in the corporate world.

Although some may still believe that incorporation in Delaware is the wisest posture for an Illinois business, incorporation in your home state is now more attractive than ever.

Numerous changes in Illinois corporate law can benefit your company. The Illinois Business Corporation Act contains financial provisions allowing for greater flexibility in the payment of dividends and other distributions of corporations. Recent amendments to the Act also limit the personal liability of corporate directors.

Illinois statutes that protect a corporation in a surprise or unwanted takeover, or change of control, also are substantially improved.

Illinois promotes a healthy business climate. Our most recent initiatives reflect our commitment to keeping corporations at home — making Illinois businesses winners on a home-state playing field.

Is the bloom off the Delaware rose?

Microsoft has reincorporated in its home state of Washington. Harley Davidson and eight other businesses have reincorporated in their home state of Wisconsin. A growing number of other public businesses have incorporated in their home states. This all means that Delaware may be losing its corporate domicile franchise.

Delaware's aggressive taxation, and its recent court decisions are factors Illinois businesses should seriously consider when deciding their best corporate home.

For more information about incorporating in Illinois, return this request form to the Illinois Secretary of State, Department of Business Services, 330 Howlett Building, Springfield, IL 62756, or call (217) 524-1159.

Name _____

Company _____

Address _____

City _____ State _____ ZIP _____

Detach and mail this form to the Secretary of State for more information on the "Why Illinois" initiative.

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WHY ILLINOIS...

What are the advantages of incorporating in Illinois?

- **Save up to $150,000 in corporate fees.**

To incorporate in the state of Delaware, an Illinois business may pay an additional corporate franchise tax of up to $150,000 each year. Even for large corporations, these fees are substantial. An Illinois business that is located and incorporated in Illinois would not pay this additional corporate franchise fee, representing a cost savings up front and in future years.

- **Avoid excessive legal and administrative fees.**

Illinois-headquartered businesses may avoid costs associated with maintaining corporate affairs in two states. Unless a corporation does business in Delaware, statutory representation in Delaware is not necessary. As an Illinois corporation the need for consulting with Delaware lawyers on domestic corporate matters could be eliminated, potentially saving Illinois businesses thousands of dollars in legal fees.

- **Serve the best interests of employees, shareholders and other constituencies.**

Illinois-headquartered businesses that incorporate in Illinois can maintain control of corporate affairs without the restrictions of out-of-state interference. By incorporating in Illinois, a company will enjoy more flexibility in corporate transactions, while protecting its employees and shareholders from hostile takeover abuses.

Additionally, an Illinois company that incorporates here can participate more effectively in the evolution of the corporate law under which it operates.

http://www.sos.state.il.us

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